

2 December 1955

MEMORANDUM FOR: Deputy Director (Support)

SUBJECT : Establishment of the Office of Statistical Research

PROBLEM

To establish a new office in the Deputy Director (Intelligence) area whose primary mission will be to perform statistical analysis in support of the Deputy Director (Intelligence) program.

FACTS BEARING ON THE PROBLEM

1. Analysis of Soviet statistics by the Deputy Director (Intelligence) area during the past few years has proven to be of inestimable value in measuring productive capacity of Soviet industry.
2. Experience has proven that more detailed attention to this field of intelligence information is likely to result in net gains which are not possible today.
3. Advances made in the field of Automation also indicate that the application of machine methods to statistical problems will increase the long range yield of information through more exact computation of cumulated data.
4. New sources of published materials as well as aerial photography provided through operations such as  will serve as corroborative information in evaluating and interpreting statistical conclusions.

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PROPOSED ORGANIZATION

1. It is proposed that a new office be created in the Deputy Director (Intelligence) area to be called the Office of Statistical Research (OSR). The exploitation and correlation phases of its mission will be known as Project AUTOMAT.

TS-143091  
Copy // of 21

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2. OSR will be responsible for assembling reports and material required for AUTOMAT analysis. To give it initial impetus and direction it is proposed that the Photo-Interpretation Division of ORR be transferred to serve as the nucleus of the new office. Also, a new OCR Register will be established to support OSR with machines, filing know-how, and library type facilities.

3. A proposed organization chart of the new office is appended as Tab A. A detailed statement of mission and functions is appended as Tab B. Tab C represents a recommended grade structure. And, Tab D is a list of the positions which are to be dropped from the ORR T/O and integrated into the new office.

### SECURITY

Because it is envisioned that AUTOMAT materials will derive from all sources it is essential (1) that the special intelligence security requirement be made mandatory for all personnel concerned with the project, and (2) that physical security controls be no less rigorous than those required for special intelligence. It is planned to borrow a security officer from OCI to assist in planning the security program and administering it in its initial stages.

### SPACE

A requirement [ ] exists to house the personnel and files of Project AUTOMAT. It is estimated that [ ] will be required to house the pilot-scale operation through 30 June 1956. This includes provision for the staff and minimum storage requirements for the initial period. The expansion of the pilot-scale operation during the summer months to handle the anticipated peak workload in the Fall will require [ ]. The Steuart Building at 5th and K Streets, N.W. has been recommended as suitable space for a project of this type and its acquisition has already been approved by the Security Office and the Logistics Office.

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### STAFFING REQUIREMENTS -- FY 1956

1. Staffing on a pilot-scale basis will require [ ] which are transferable from the ORR T/O and the remaining [ ] additional ceiling positions to the DD/I's current authorized ceiling. Personnel requirements will again be reviewed in June 1956 based on operating experience in order to determine the minimum additional staff required to process the peak load. The initial workload is expected to run approximately 3,000 items per day.

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2. It is estimated that an extensive expansion in T/O may be required ultimately to handle adequately the anticipated peak workload; however, it is proposed to initially staff the activity on a pilot-scale basis during FY 1956.

3. Staffing requirements for Project AUTOMAT do not include provisions for PBS guards, receptionists, elevator operators and other custodial personnel that may be required.

#### FUND REQUIREMENTS -- FY 1956

25X1 A total of [ ] is necessary in FY 1956 to get the pilot  
25X1 operation under way; a detailed explanation is attached as Tab E. An  
amount of [ ] of the total is for personal services, and [ ]  
for other expenses. The DD/I is prepared to absorb the total amount  
within the current FY 1956 allocation to the DD/I area.

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#### CONCLUSION

The establishment of an Office of Statistical Research is urgently required in the DD/I area. Its establishment, however, places staffing and financial requirements on the DD/I area which could not have been anticipated in previous budget estimates. Immediate administrative support is required to get Project AUTOMAT under way and DD/S action is necessary to provide the personnel, funds, and space needed to develop and maintain the new activity.

#### RECOMMENDATIONS

FOR FY 1956:

1. That the DD/I's ceiling allocation be increased by [ ] to permit immediate recruitment, employment action and training for Project AUTOMAT.

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2. That the pilot-scale T/O of [ ] and the organization, mission, functions and grade structure of the proposed Office of Statistical Research and OCR Information Register be approved as outlined in Tabs A, B, and C.

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25X1 3. That the Photo-Interpretation Division of ORR be transferred with its [ ] and funds to the new Office of Statistical Research. (See Tab D).

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4. That a T/O  positions be issued for the Office of Statistical Research and that the T/O of OCR be increased by  to permit establishment of the new Register.

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5. That the DD/I absorb total funding requirements as outlined in Tab E within the current FY 1956 DD/I allocation.

6. That DD/S take immediate action to acquire the Steuart Building space and to provide appropriate security and custodial personnel.

ROBERT AMORY, JR.  
Deputy Director  
(Intelligence)

JB:aml (2 December 1955)

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